

Message Text

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SUBJECT: US-SOVIET JOINT COMMERCIAL COMMISSION

FINAL PLENARY SESSION OF JOINT COMMERCIAL COMMISSION
MEETING APPROVED RELEASE OF COMMUNIQUE AS FOLLOWS:

BEGIN TEXT: JOINT COMMUNIQUE ON THE FOURTH SESSION OF THE
U.S.-U.S.S.R. COMMERCIAL COMMISSION.

THE U.S.-U.S.S.R. COMMERCIAL COMMISSION ESTABLISHED DURING
THE SUMMIT MEETING IN MAY 1972 TODAY CONCLUDED ITS FOURTH
SESSION. THE SESSION, WHICH TOOK PLACE IN WASHINGTON,
D.C., ON MAY 21-22 WAS, IN ACCORDANCE WITH THE ESTABLISHED
PROCEDURE, CHAIRED BY WILLIAM E. SIMON, U.S. SECRETARY OF
THE TREASURY AND CHAIRMAN OF THE U.S. SECTION OF THE
COMMISSION. THE SOVIET DELEGATION WAS LED BY THE ACTING
MINISTER OF FOREIGN TRADE OF THE U.S.S.R., MIKHAIL R.
KUZMIN.

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OTHER U.S. MEMBERS OF THE COMMISSION TAKING PART IN THE

FOURTH SESSION WERE SECRETARY OF COMMERCE FREDERICK B. DENT, DEPUTY CHAIRMAN; UNDER SECRETARY OF THE TREASURY JACK F. BENNETT; ASSISTANT SECRETARY OF STATE FOR ECONOMIC AND BUSINESS AFFAIRS-DESIGNATE THOMAS O. ENDERS; DEPUTY LEGAL ADVISER OF THE DEPARTMENT OF STATE GEORGE H. ALDRICH,

COUNSEL; AND ACTING DEPUTY ASSISTANT SECRETARY OF COMMERCE FOR EAST-WEST TRADE LEWIS W. BOWDEN, EXECUTIVE SECRETARY. AMBASSADOR WILLIAM D. EBERLE, THE PRESIDENT'S SPECIAL TRADE REPRESENTATIVE, AND HELMUT SONNENFELDT, COUNSELOR OF THE DEPARTMENT OF STATE, ALSO PARTICIPATED IN THE TALKS.

MEMBERS OF THE SOVIET DELEGATION PARTICIPATING IN THE DISCUSSIONS IN ADDITION TO MR. KUZMIN INCLUDED A.N. MANZHULO, DEPUTY MINISTER OF FOREIGN TRADE; V.S. ALKHIMOV, DEPUTY MINISTER OF FOREIGN TRADE; V.B. SPANDARYAN, MEMBER OF THE GOSPLAN; S.A. MKRTUMOV, COMMERCIAL MINISTER, SOVIET TRADE REPRESENTATION, WASHINGTON, D.C.; V.N. SUSHKOV, DIRECTOR OF GENERAL ADMINISTRATION, MINISTRY OF FOREIGN TRADE; N.V. NIKITKIN, DEPUTY CHAIRMAN OF THE BANK FOR FOREIGN TRADE; N.V. ZINOVIEV, CHIEF OF THE DEPARTMENT FOR TRADE WITH COUNTRIES OF AMERICA, MINISTRY OF FOREIGN TRADE; G.S. BURGUCHEV, CHIEF OF THE LEGAL AND TREATIES DEPARTMENT, MINISTRY OF FOREIGN TRADE; AND R.G. GORBUNOV, EXECUTIVE SECRETARY OF THE SOVIET SECTION OF THE COMMISSION.

THE JOINT COMMISSION SESSION INCLUDED TWO PLENARY MEETINGS AND SEVERAL WORKING GROUP MEETINGS, WHICH TOOK PLACE IN A FRIENDLY AND CONSTRUCTIVE ATMOSPHERE. THERE WAS A COMPREHENSIVE EXCHANGE OF VIEWS ON THE DEVELOPMENT OF AMERICAN-SOVIET TRADE AND ECONOMIC RELATIONS. THE PARTIES NOTED WITH SATISFACTION FURTHER PROGRESS IN THE DEVELOPMENT OF THESE RELATIONS SINCE THE THIRD SESSION OF THE COMMISSION HELD IN MOSCOW IN OCTOBER 1973.

THE COMMISSION AGREED ON THE DESIRABILITY OF EXPANDING AND FURTHER DEVELOPING LONG-TERM ECONOMIC, INDUSTRIAL, AND TECHNICAL COOPERATION AND DISCUSSED MEANS OF FACILITATING SUCH COOPERATION, INCLUDING THE CREATION OF FAVORABLE CONDITIONS FOR BUSINESS ACTIVITIES, AND THE EXCHANGE OF ECONOMIC AND FINANCIAL DATA. WITH THESE OBJECTIVES IN MIND, THE COMMISSION RECOMMENDED TO THE TWO GOVERNMENTS THE CONCLUSION OF A LONG-TERM AGREEMENT TO FACILITATE ECONOMIC, INDUSTRIAL AND TECHNICAL COOPERATION.

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TATING SUCH COOPERATION, INCLUDING THE CREATION OF FAVORABLE CONDITIONS FOR BUSINESS ACTIVITIES, AND THE EXCHANGE OF ECONOMIC AND FINANCIAL DATA. WITH THESE OBJECTIVES IN MIND, THE COMMISSION RECOMMENDED TO THE TWO GOVERNMENTS THE CONCLUSION OF A LONG-TERM AGREEMENT TO FACILITATE ECONOMIC, INDUSTRIAL AND TECHNICAL COOPERATION.

IT WAS NOTED THAT IN 1973, US-USSR TRADE AMOUNTED TO ALMOST \$1.5 BILLION. THE COMMISSION ANTICIPATED THAT BILATERAL TRADE WOULD AGAIN THIS YEAR EXCEED THE \$1 BILLION LEVEL. THIS TRADE VOLUME, IF FAVORABLE CONDITIONS OBTAINED, WOULD PERMIT THE COUNTRIES TO SURPASS

THE TOTAL OF \$2-3 BILLION FOR THE THREE YEARS 1973-75 FORESEEN BY PRESIDENT NIXON AND GENERAL SECRETARY BREZHNEV IN JUNE OF LAST YEAR.

THE COMMISSION RECEIVED REPORTS AND EXCHANGED VIEWS ON THE CURRENT STATUS OF A NUMBER OF LONG-TERM COOPERATION PROJECTS UNDER NEGOTIATION BETWEEN U.S. FIRMS AND SOVIET FOREIGN TRADE ORGANIZATIONS, INCLUDING PROJECTS IN THE FIELDS OF FERTILIZER PRODUCTION, EXPLORATION FOR NATURAL GAS AND OIL, TIMBER PRODUCTS, MACHINE BUILDING FACILITIES AND PRODUCTS OF POWER-CONSUMING INDUSTRIES. IN MANY CASES THESE PROJECTS WOULD BE CARRIED OUT ON A SELF-LIQUIDATING BASIS.

THE U.S. SECTION REPORTED THAT IN ACCORDANCE WITH ITS COMMITMENT MADE AT THE LAST SESSION OF THE JOINT COMMISSION, THE DEPARTMENT OF COMMERCE HAD REFERRED THE SOVIET INTEREST IN POWER-CONSUMING PRODUCTION FACILITIES, INCLUDING ALUMINUM, FERRO-MANGANESE AND FERRO-CHROMIUM, AND CHEMICALS, TO APPROPRIATE INDUSTRY TRADE ASSOCIATIONS AND DIRECTLY TO POTENTIALLY INTERESTED U.S. COMPANIES. THE SOVIET SECTION PROVIDED THE U.S. DELEGATION ADDITIONAL DATA ON SEVERAL OF THE PROJECTS FOR TRANSMITTAL TO U.S. FIRMS.

TO FACILITATE TRADE AND COOPERATION IN THE FIELD OF CIVIL AVIATION, THE TWO PARTIES AGREED UPON THE DESIRABILITY
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OF CONCLUDING A BILATERAL AIRWORTHINESS AGREEMENT.

TO AID IN THE GROWTH OF TWO-WAY TRADE, AGREEMENT WAS REACHED WITH REGARD TO THE APPROPRIATE EXPANSION OF COMMERCIAL REPRESENTATION AT THE PRESENT TIME, AND ON THE NEED TO FACILITATE SUITABLE OFFICE, HOUSING, AND WORKING CONDITIONS.

THE COMMISSION NOTED THAT THE RECENT COMMITMENT BY THE U.S. EXPORT-IMPORT BANK TO FURNISH CREDIT FOR THE EXPORTING OF U.S. EQUIPMENT, MATERIALS AND SERVICES FOR THE CONSTRUCTION IN MOSCOW OF THE INTERNATIONAL CENTER FOR COMMERCE WILL ADD TO THE FACILITIES AVAILABLE TO MEET THE GROWING NEED OF U.S. AND OTHER FOREIGN COMPANIES AND BANKS TO OPEN OFFICES IN MOSCOW. AT PRESENT, SEVENTEEN

(17) U.S. COMPANIES AND BANKS HAVE ALREADY BEEN AUTHORIZED TO OPEN OFFICES IN MOSCOW.

BOTH SIDES AGREED TO FACILITATE TRADE MISSIONS AND TO SUPPORT PARTICIPATION OF THEIR NATIONALS, COMPANIES AND ECONOMIC ORGANIZATIONS IN TRADE FAIRS AND EXHIBITIONS ORGANIZED IN THE OTHER COUNTRY.

THE U.S. SECTION REAFFIRMED THE U.S. ADMINISTRATION'S DETERMINATION TO OBTAIN LEGISLATION THAT WOULD PROVIDE AUTHORITY FOR NON-DISCRIMINATORY TARIFF TREATMENT FOR THE U.S.S.R., AS CALLED FOR UNDER THE U.S.-U.S.S.R. TRADE AGREEMENT OF 1972, AND WOULD CONTINUE THE AVAILABILITY OF U.S. EXPORT-IMPORT BANK FINANCING ON A NON-DISCRIMINATORY BASIS WHEN NEEDED TO ASSIST U.S. EXPORTERS ON THEIR SALES TO THE U.S.S.R.

AT THE FINAL PLENARY SESSION, THE COMMISSION HEARD A REPORT ON THE PROGRESS OF THE U.S.-U.S.S.R. TRADE AND ECONOMIC COUNCIL FROM THE TWO CO-CHAIRMEN: DONALD M. KENDALL AND V.S. ALKHIMOV. THE COUNCIL, WHOSE PRINCIPAL TASK IS THE PROMOTION OF TRADE AND ECONOMIC COOPERATION BETWEEN THE U.S. AND THE U.S.S.R., WAS ESTABLISHED PURSUANT TO THE U.S.-U.S.S.R. PROTOCOL SIGNED AT THE WASHINGTON SUMMIT MEETING IN JUNE OF 1973.

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THE COMMISSION EXPRESSED SATISFACTION WITH THE RESULTS OF THE FOURTH SESSION, CONSIDERING THE DISCUSSIONS A FURTHER MAJOR STEP IN THE CONSTRUCTIVE DEVELOPMENT OF SOLID, LONG-TERM, MUTUALLY ADVANTAGEOUS TRADE RELATIONS. IT AGREED TO CONVENE THE NEXT (FIFTH) SESSION IN MOSCOW IN 1975.

THE SOVIET DELEGATION MEMBERS EXPRESSED THEIR APPRECIATION FOR THE HOSPITALITY EXTENDED TO THEM BY THEIR AMERICAN HOSTS DURING THE DELEGATION'S STAY IN THE U.S.
END TEXT. RUSH

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